

**BEFORE THE DEPARTMENT OF BANKING AND FINANCE
STATE OF GEORGIA**

FILED

JUN 16 2015

**GEORGIA DEPARTMENT OF
BANKING AND FINANCE**

In Re:

WALTER HYNES BARNES
Director and Loan Officer,
Woodbury Banking Company

CONSENT REMOVAL AND PROHIBITION ORDER

Walter Hynes Barnes ("Mr. Barnes") is the Loan Officer and a member of the Board of Directors of Woodbury Banking Company ("Bank"), Woodbury, Georgia. On May 19, 2014, the Department of Banking and Finance ("Department") and the Federal Deposit Insurance Corporation ("FDIC") initiated a joint examination of the Bank. A Report of Examination was issued to the Board of Directors of the Bank on November 17, 2014 ("Report of Examination"), and the Board of Directors submitted a written response to the Report of Examination on March 9, 2015.

Based upon the findings of the examination, the Report of Examination, and the Board of Director's response to the Report of Examination, the Department has determined that Mr. Barnes, in his capacity as Loan Officer, approved loans that violated applicable laws and regulations as well as Bank policies on legal lending limits. In light of this determination, the Department finds that Mr. Barnes engaged in unsafe and unsound practices in connection with the Bank.

The Commissioner has considered the matter and determined that, based upon the Report of Examination and other credible evidence, Mr. Barnes' actions have warranted his removal from the Board of Directors and any other employment with the Bank pursuant to O.C.G.A. § 7-1-71. The Commissioner has further determined that Mr. Barnes' actions have warranted him

being prohibited from participating in any capacity in the affairs of any financial institution pursuant to O.C.G.A. § 7-1-71.

The Department, Mr. Barnes, and the Board of Directors have discussed the determination that Mr. Barnes engage in unsafe or unsound banking practices and have agreed to a resolution of the matter against Mr. Barnes. Mr. Barnes and the Board of Directors have agreed to the terms of this Consent Removal and Prohibition Order solely for the purpose of this proceeding and without admitting or denying any violations of law or regulations or unsafe or unsound banking practices.

Accordingly, it is hereby ORDERED as follows:

1. Mr. Barnes is hereby permanently removed from the Board of Directors of the Bank and from any position of employment with the Bank, including, but not limited to, Loan Officer. Mr. Barnes is hereby permanently prohibited from serving on the Board of Directors of the Bank, from being employed by the Bank, or from participating in the affairs of the Bank.

2. The voting securities of Mr. Barnes are considered to be authorized but unissued for purposes of determining the procedures for and results of a shareholders' vote conducted by Woodbury Bancshares, Inc. ("Holding Company").

3. Mr. Barnes is hereby prohibited from acquiring or otherwise obtaining a beneficial interest in any securities issued by the Bank or any additional securities issued by the Holding Company.

4. Mr. Barnes is hereby permanently prohibited from serving on the Board of Directors of, from being employed by, or from participating in the affairs of, a financial institution, as defined by O.C.G.A. § 7-1-4, or any other entity regulated by the Department, including, but not limited to, a bank holding company.


5. The entry of this Consent Removal and Prohibition Order will resolve all possible administrative actions the Department could initiate against Mr. Barnes based upon findings identified in the Report of Examination issued to the Bank.

6. Except as provided in Paragraph 5, the provisions of this Consent Removal and Prohibition Order shall not bar, estop, or otherwise prevent the Department or any other instrumentality of the state or any federal agency or department from taking any action against Mr. Barnes, the Bank, or any of the Bank's current or former institution-affiliated parties including, but not limited to, the Holding Company.

7. The terms of this Consent Removal and Prohibition Order may be enforced by the Department in accordance with and pursuant to state law.


8. This Consent Removal and Prohibition Order shall be published as a final order by the Department.

SO ORDERED AND ENTERED, this 16th day of June 2015.




KEVIN B. HAGLER
Commissioner
Department of Banking and Finance

Consented to by:



Walter Hynes Barnes
480 Lake Meriwether Road
Woodbury, Georgia 30293



Lori Godfrey, Deputy Commissioner
Department of Banking and Finance
2990 Brandywine Road, Suite 200
Atlanta, Georgia 30341

(signatures continued on next page)

Acknowledged receipt of:



William M. Barnes
President and Chairman of the Board
Woodbury Banking Company
President and Chairman of the Board
Woodbury Bancshares, Inc.
Post Office Box 305
Woodbury, Georgia 30293



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